



November 13, 2019

VIA ELECTRONIC FILING

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
445 12th Street, SW
Washington, DC 20554

Re: *Notice of Ex Parte Submission*, GN Docket No. 18-122

Dear Ms. Dortch:

Over the course of more than two years of deliberations, the Federal Communications Commission (the "Commission") has developed a robust record from an array of stakeholders on how best to repurpose a portion of the C-band for 5G operations while protecting critical C-band satellite services delivered to incumbent users. As the record makes clear, a diverse set of entities and interests, spanning a variety of industries and immediate economic interests, have come together to support the market-based approach put forth by the C-Band Alliance ("CBA"). Key supporters of the CBA's proposal include:

- Mobile network operators¹
- Video programmers³
- Broadcast station operators⁵
- Aerospace manufacturers²
- Wireless equipment manufacturers⁴
- Free market organizations and think tanks⁶

Beyond the FCC record, economists, experts, and other industry onlookers have also reviewed and endorsed the CBA's market-based approach in white papers, articles, and newspaper opinion pieces in recent months. These organizations have concluded that the CBA's proposal remains the fastest and most effective way to release critical mid-band spectrum for 5G. For example:

- A new analysis from economist Coleman Bazelon found that the CBA's updated proposal "can overcome market failures that lead to significant holdout problems, solve issues of informational complexity that lead to regulatory failures, maximize the amount of spectrum available in the

¹ See, e.g., Letter from Gregory M. Romano, Vice President of Federal Regulatory and Legal Affairs, Verizon, to Marlene H. Dortch, Secretary, FCC, GN Docket No. 18-122 (filed Oct. 9, 2019).

² See, e.g., Reply Comments of the Boeing Company, GN Docket No. 18-122 *et al.*, at 1 (filed Dec. 11, 2018).

³ See, e.g., Comments of the Content Companies, GN Docket No. 18-122, at 1-2 (filed Aug. 7, 2019).

⁴ See, e.g., Reply Comments of Nokia, GN Docket No. 18-122 *et al.*, at 1 (filed Dec. 11, 2018).

⁵ See, e.g., Joint Reply Comments of the ABC Television Affiliates Association, CBS Television Network Affiliates Association, FBC Television Affiliates Association, and NBC Television Affiliates, GN Docket No. 18-122, at 4 (filed Aug. 14, 2019).

⁶ See, e.g., Comments of ITIF, GN Docket No. 18-122 *et al.*, at 1-2 (filed Oct. 29, 2018); Letter from Joe Kane, Technology Policy Fellow, R Street Institute, to Marlene H. Dortch, Secretary, FCC, GN Docket No. 18-122 (filed Apr. 30, 2019).

marketplace while protecting incumbent operations, and ensure that the spectrum is put to its highest valued use.”⁷

- A coalition of public-interest organizations and free-market think tanks comprised of the American Consumer Institute, American Enterprise Institute, Competitive Enterprise Institute, Heritage Action for America, Lincoln Network, and R Street Institute have concluded that private auctions like the CBA’s “will put [C-Band] spectrum into the hands of U.S. wireless providers much more quickly than other proposed alternatives. At the same time, the CBA’s plan will protect the existing C-Band video and radio services currently used by 120 million U.S. households.”⁸
- The Americans for Tax Reform (“ATR”) now endorses the CBA’s proposal after having had initial reservations about it. In explaining why it supports the CBA’s updated proposal, the ATR applauded the CBA’s willingness to entertain feedback and revise its plan in response to stakeholder input.⁹
- The American Action Forum concluded that the CBA’s plan embodies “strong incentives to create a competitive and efficient process.”¹⁰
- A sophisticated economic study from The Phoenix Center assessed the C-band using a mathematical principal-agent model and concluded that, “given the private information available to the satellite industry, it makes sense for the Commission to allow the CBA to serve as an agent of the federal government in conducting the auction, thereby ensuring the rapid and efficacious repurposing of the band.”¹¹
- The Free State Foundation released a policy paper finding that the CBA’s “market-oriented approach will enhance overall consumer welfare and reduce overall societal costs by maximizing the efficient use of this valuable mid-band spectrum. It most likely will put the spectrum to use more speedily than could be accomplished by employment of traditional spectrum allocation approaches.”¹²

⁷ Coleman Bazelon, *The Public Interest Benefits of a Market-Based Solution for the C-Band: Avoiding Economic and Informational Market Failures, Protecting Incumbents, and Accelerating 5G Deployment*, The Brattle Group, at 2 (Nov. 13, 2019) (attached hereto).

⁸ See, e.g., Letter from American Consumer Institute, American Enterprise Institute, Competitive Enterprise Institute, Heritage Action for America, Lincoln Network, and R Street Institute to Reps. Walden and Latta (Oct. 29, 2019) (attached hereto).

⁹ Letter from Grover Norquist, President, Americans for Tax Reform, to Communications & Technology Subcommittee, U.S. House Committee on Energy & Commerce (Oct. 28, 2019) (attached hereto).

¹⁰ Will Rinehart, *Analyzing Plans To Reallocate C-Band for 5G Deployment*, American Action Forum (Oct. 7, 2019), <https://bit.ly/2QhMeL8> (attached hereto).

¹¹ T. Randolph Beard, George S. Ford, and Michael Stern, *Innovation in Spectrum Repurposing: The C-Band as a Principal-Agent Problem*, The Phoenix Center for Advance Legal and Economic Public Policy Studies, at 3 (Sept. 2019), <https://bit.ly/2kRgX42> (attached hereto).

¹² Randolph J. May and Gregory J. Vogt, *A Free Market Approach Should Be Used to Reallocate C-Band Spectrum*, Free State Foundation, at 2 (July 17, 2019), <https://bit.ly/2B7Yt3K> (attached hereto).



To ensure that the Commission has a complete record, the CBA hereby attaches these and other analyses that may prove useful to the Commission as it considers how best to move forward in this proceeding. Please contact me with any questions regarding this letter.

Respectfully submitted,

/s/ Peter Pitsch

Peter Pitsch
Executive Vice President,
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Attachment